

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
GREEN BAY DIVISION

RIDGEWAY TRAILER SERVICE, INC.,
1480 E. Adam Drive
De Pere, WI 54115,

Plaintiff,

Case No. 20-CV-1470

v.

BMF CAPITAL LLC,
1820 Avenue M, Ste. 125
Brooklyn, NY 11230,

ABC INSURANCE COMPANY,

-and-

JOHN DOE,

Defendants.

COMPLAINT

NOW COMES the Plaintiff, Ridgeway Trailer Service, Inc., by and through its undersigned attorneys, the Law Firm of Conway, Olejniczak & Jerry, S.C., and as and for its Complaint against Defendant, BMF Capital LLC, ABC Insurance Company and John Doe, alleges and shows to the Court as follows:

THE PARTIES

1. Plaintiff, Ridgeway Trailer Service, Inc., (“RTS”) is a Wisconsin Corporation with its registered agent being Deanna Jonet, and a principal place of business located at 1480 E. Adam Drive, De Pere, WI 54115.

2. Upon information and belief, Defendant, BMF Capital LLC, (“BMF”), is a Limited Liability Company organized and existing under the laws of the State of New York, with its principal place of business located at 1820 Avenue M, Suite 125, Brooklyn, NY 11230.

3. Upon information and belief, Defendant, ABC Insurance Company (“ABC Insurance”), is an insurance corporation duly authorized and licensed to do business in the State of New York. Upon information and belief, said Defendant is engaged in the business of writing and selling liability insurance and issued a policy of insurance to BMF that was in full force and effect at all times material hereto and provides coverage for BMF’s liability at issue in this case.

4. Upon information and belief, Defendant, John Doe (“Defendant Doe”), whose true name is not yet known, is the owner/agent of BMF who falsified records with Plaintiff’s bank, Associated Bank, and defrauded Plaintiff by causing the Bank to wire over \$75,000.00 to BMF’s account in New York.

JURISDICTION AND VENUE

5. Upon information and belief, this Court has subject-matter jurisdiction pursuant to 18 U.S.C. §1964 because the claims arise under federal wire fraud and RICO statutes.

6. This Court has personal jurisdiction over Defendants, because they conducted substantial business in this judicial district and/or intentionally caused harm to Plaintiff as described herein.

7. Venue is proper under 28 U.S.C. §1391 because a substantial part of the events or omissions that give rise to the claim occurred in this judicial district, and Plaintiff suffered its injuries in this judicial district.

GENERAL ALLEGATIONS

8. At some point prior to April 2020, BMF entered into a business relationship with a company with a similar name as Plaintiff, called Ridgeway Trailer Company, Inc. (“RTC”).

9. RTC was a Wisconsin Corporation solely owned by Scott and Jane Berkovitz.

10. Scott Berkovitz passed away on April 2, 2020. RTC is currently in receivership.

11. At the time of Scott Berkovitz’s passing, RTC had large outstanding loans with BMF.

12. Repayment of RTC’s loans to BMF were handled by ACH charges to one or more of RTC’s accounts.

13. None of RTC’s accounts were at Associated Bank.

14. On April 3, Deanna Jonet visited Associated Bank and learned that BMF had made three unauthorized ACH charges to an account in the name of RTS without justification of any kind (“fraudulent bank charges”).

15. BMF had Berkovitz sign paperwork authorizing electronic access to his affiliated bank accounts.

16. In March and April 2020, BMF made false representation through interstate wires demanding payments on Plaintiff’s bank accounts by falsely representing that it had authority to do so from Plaintiff.

17. BMF’s false representations directly caused the fraudulent bank charges to be made, and they were posted on or about March 31, 2020, April 1, 2020 and April 2, 2020, each in the amount of \$75,000.00.

18. Deanna Jonet took immediate steps to reverse the charges, but was only successful on reversing two of the three charges. There remains the March 31, 2020 ACH charge in the amount of \$75,000.

19. There is no legal connection between RTC and RTS and Plaintiff never authorized BMF to withdraw money from its accounts for any reason.

20. On June 18, 2020, Plaintiff's counsel sent certain correspondence to BMF demanding that BMF return the moneys it wrongfully took from Plaintiff.

21. Despite due demand, BMF and John Doe have not responded in any way to this letter.

22. Defendants BMF and John Doe entered into a common scheme and plan to intentionally misrepresent to Plaintiff's bank that BMF was authorized to withdraw money from Plaintiff's bank accounts.

23. In the alternative, Defendants BMF and John Doe were negligent in misrepresenting to Plaintiff's bank that BMF was authorized to withdraw money from Plaintiff's bank accounts.

24. Defendants BMF and John Doe used the system of interstate wires to commit its fraudulent scheme, including telecommunications, email, and bank wire, which are all federally regulated.

25. Defendants BMF and John Doe are responsible under federal wire and RICO statutes.

26. Based on BMF's and John Doe's fraud and refusal to return the funds upon due demand, it is liable under Wisconsin's theft statute for multiple damages plus costs of investigation including actual attorneys fees.

27. As a result of Defendants, BMF and John Doe actions, Plaintiff has sustained damages in the amount of at least \$75,000.

28. John Doe's conduct was wanton, willful and in reckless disregard of the rights of Plaintiff, thus entitling Plaintiff to an award of punitive damages and attorneys fees.

29. Based on Wisconsin's direct action statute, the Defendants' insurer is directly liable to Plaintiff based on the alternative theory of negligence accordingly.

WHEREFORE, Plaintiff prays for relief as follows:

- A. Judgment for monetary damages in an amount to be determined at trial;
- B. For awards of multiple and exemplary damages, and punitive damages against Defendants in an amount to be determined at trial;
- C. For costs, actual attorneys fees and expenses for investigation as allowed by law; and
- D. Any other relief deemed just and equitable.

Dated this 21st day of September, 2020.

By: s/ David H. Weber
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